

NON-IRRIGATED YIELD PROVISIONS OF THE FARM BILL

THE REGULATION

The 1985 Farm Bill, as amended, requires Farm Service Agency (FSA) to use non-irrigated crop yield levels to calculate farm program entitlements for farms for which the operator:

- Did not grow a USDA program crop (in Wyoming: Barley, Corn, Oats, Wheat and Grain Sorghum) between 1981 and 1985 and began growing a program crop after 1985 or
- Grew a program crop, but did not file an acreage report in their local USDA/Farm Service Agency office for one or more of the five crop years of 1981 through 1985, but began filing acreage reports after 1985.

BACKGROUND

Irrigation has been the only cropping practice for over 100 years in the Big Horn Basin of Wyoming. There are other large areas of Wyoming and other western states where crops cannot be grown without irrigation including areas of Arizona, California, Colorado, Idaho, Montana, Nebraska, Nevada, New Mexico, Texas, Utah and Washington. It is not uncommon for cropland in the west to have been irrigated each crop year consecutively since the early 1900's and sometimes since the 1800's. However, even if the cropland has always been irrigated, for either of the above two categories the law required a non-irrigated program payment yield. In Wyoming counties, yields for farm program crops falling under this regulation were set between 0 and 10 bushels per acre when the actual yield potential of the crop was between 80 and 110 bushels per acre. The non-irrigated yield levels vary by crop and county based on guidance provided to FSA county committees by Washington, D.C. staff and the FSA state program specialists. However, the non-irrigated levels are all substantially below the farm's productive capabilities.

CONSEQUENCES

The regulation adversely affects many agriculture producers in the west where it is not possible to grow crops without applying irrigation water. Since 1986, farm program entitlements have been calculated using non-irrigated yields in irrigated areas, resulting in 20 years of significantly reduced farm program entitlements. Failure to correct these yields to the historical yields for the affected farms, will result in another farm bill of unfairly reduced entitlements. Unless corrected, the regulation will continue to have a negative affect on the income of the individual producers and the economy of their communities. The majority of agriculture producers that are affected by this regulation are the younger growers. These producers were not operating farms during the 1981 through 1985 period and thus weren't able to file the required acreage reports. These are the farmers that we should be most concerned with helping to maintain viable agricultural operations, as they are the future of the food production of our country. According to Farm Service Agency records, in my county, Park County Wyoming, there are 23,397 program crop acres affected by the non-irrigated yield regulation. These acres have non-irrigated yields assigned, but the land has always been irrigated. The irrigation projects that serve these irrigated acres were installed in the early 1900's. These farms are in a region that has an average annual precipitation of less than 7" per year. Without irrigation, the production of crops is simply not feasible. Below is a comparison of the farm program entitlements for a typical farm with non-irrigated payment yields and for payment yields if we use 80% of the National Agriculture Statistics Service yield for the crop:

Crop	Contract Acres	Payment Acres *	Non Irr. Yield	Irrigated Yield	Payment Rate	Non Irr Payment Amount	Corrected Payment Amount
Barley	100	85 x	7 or	80 x	.24 ** =	142.80	1632
Corn	50	42.5 x	0 or	96 x	.28 ** =	0	1142
Totals-----						\$142.80	\$2774.00

* 85% of contract acres (by law)

** As established by law for the 2002-2006 farm bill

There are approximately 300 agriculture producers on over 450 farms in Park County that would benefit if the yields are corrected to historical levels.

SOLUTIONS

1. Insert language in the new Farm Bill to require state committees to identify counties that have only irrigated cropland. For those counties, correct non-irrigated payment yields to the historic cropping practice for the farm.
2. Correct yields for farms that can prove that all cropland was irrigated (not crop specific) prior to 1981 and is still being irrigated.
3. Allow FSA county committees to establish corrected yields limited to a percentage of the current Agricultural Statistics Service's irrigated yield for the crop in the county.

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